

App F IX 4

Previous References

ml 115-42-25, 26 Municipal 1944

ml File No 98-44

Serial Nos 12, 13

Later References

ml 88-48(1, 2, 102)  
HH 667x58

## GENERAL AND REVENUE SECRETARIAT

Serial Nos 2

Part B for

SUBJECT

Refunds of Detroit duty paid by  
the Bitumen Commission plant  
Hydrocarbon Refining Co. 40-41

The Pres. Hydrocarbon Refining Co.  
L 3336 dated 5/14/40 ml  
Refunds orders received

29/12 -

5421 ✓ 3343 ~~13~~

Refund of Octon duty paid by the British  
 Consul at Mysore to the Mysore City Municipality

Letter No 51/40-41 & 16-11-42 from the  
 Bangalore forwarding a copy of the letter given dated  
 7-3-42 as the same subject-

As the letter No 51/40-41 & 7-3-42 from the Bangalore  
 forwarding the Branch Serial No 4592/41-42 has been  
 referred to the L.S. of the Branch on 10-3-42 for necessary action  
 the Secy of the Branch has been asked to note the action  
 taken by him in the matter of refunding the Octon  
 duty paid by the British Consul at Mysore to the  
 Mysore City Municipality.

Am B  
 3/12

Am Secy L.S.G.  
 W.P.

To  
 71/43

Mr KRS  
 ✓ What has happened to the reply

Am  
 7/11/43



Off letter to the President, Mysore  
 City M.C. calling for his name  
 as put up for the purpose. It may  
 be better to know as per

Am  
 8/3/43

Am  
 9-3-43  
 9/3/43



<sup>initial</sup>  
 To previous info could not be located &  
 make it of any effort the Recorder  
 may kindly be asked to see by me  
 again in the Court Register

Yes,  
 HX 28/11/42 } Obtain a copy to  
 the Director of the also

To 26/11/42  
 I refer to the above info  
 HX 27/11/42 } due  
 2 3828 9 9 12 51/42

GOVERNMENT OF MYSORE

Tele gram  
phone

No  
Encls 51/40-41

OFFICE OF  
the Director of Industries  
and Commerce in Mysore,  
Bangalore

Date 10th October 1942

To

V Vedavyasacharya, Esquire, B A ,

Secretary to Government,

Development Department, Bangalore

Sir

Subject: Refund of Octroi duty paid by the Bitumen  
Emulsion Plant, Mysore to the Mysore City  
Municipality during 1940-41

In inviting a kind reference to my letter of even number  
dated 7th March 1942 requesting orders of Government regarding  
the refund of Rs.54-10-3 paid by the Bitumen Emulsion Plant,  
Mysore, to the Mysore City Municipality as Octroi duty, I have  
the honour to request you to kindly obtain and communicate the  
orders of Government in the matter early

I have the honour to be,  
Sir,  
Your most obedient servant,

*L Munnar*  
DIRECTOR on 10/10/42

Nv



Refund of the action and paid by the Returner  
 5421 Emulsion Plant, Mys  
 of 6854 5457 Page 3

Continuation Sheet

File No  
 Current No

21/1/18

10/1/18

20/3/18

10/1/18

10/1/18

10/1/18

10/1/18

To The Pat. app. on cl, Mysore  
 No. L. 9227 of 13. 3-43

Requests him to favour Govt with  
 his opinion on the matter.

From the President, City Municipal Council, Mysore  
 No. 634230 / 42-43 of 18. 1. 1944

Forwarded his opinion on the above  
 proposal.

Subd The President states that the exemption  
 from octroi duty sanctioned in the P.  
 29-4-1926 applies only to the Electrical  
 Department & that the Returner Emulsion  
 Plant ~~is~~ a <sup>commercial</sup> concern, it is also  
 a <sup>taxable</sup> concern & that on an  
 analogy of port buildings used for residential  
 purposes, the articles imported <sup>used by the</sup> for commercial  
 concerns should be made liable to income  
 taxation. Subd for advice

4/3/44 Forwarded with Compliments  
 to the Director of Industries &  
 Commerce for forwarding remarks on  
 the observations made by the President,  
 Mysore City Municipal Council on the subject. The  
 information refd at A. in the previous  
 letter may also be kindly forwarded very early  
 to

2266  
 30/3/44

20 No 293  
 27-3-44

9/1/18

No 22 84/31 5 64

31/5/1944

RETURNED WITH COMPLIMENTS

Bitumen Emulsion Plants are purely Government Concerns engaged on preparing Bitumen Emulsion chiefly used by the Public Works Department and Municipalities of the State for road works. These are not commercial concerns as the emulsion manufactured is not for sale to the public at a profit. Profits and Depreciation charges earned on supplies to the above departments are <sup>all</sup> being surrendered to Government. In the circumstances, Octroi Duty levied during 1940-41 may kindly be ordered to be refunded.

*M. R. Mahalingam*  
Director of Industries & Commerce in Mysore,  
Bangalore

Law  
Development Secretary)

*13*  
*Subd for orders.*  
*14/5. By the Director of Industries & Commerce. has requested order of Govt in regard to the refund of amount Rs 54-10-3 paid as octroi duty to the Mysore Plant by the Bitumen Emulsion Plant, inasmuch as the duty is imposed for the use of the trucks in the year 1940-41*

The amount has been held under objection in audit on the point that the TDC is not entitled to the levy of duty on these articles which are imported by the Govt Depts (Inwards).

15 - The President, Mysore M. C. C. who was consulted in the matter states that the <sup>order of 4/12/26</sup> ~~Govt~~ relied upon by the Port Comptroller applies only to the electrical dep't and not to a Commercial concern like the Bitumen Emulsion plant. He adds that the articles are purchased for manufacturing purposes and not for the further purpose of running the enterprise. They are liable to Municipal taxation.

The Director of S. T. C. is pointed out that these are purely Govt concerns engaged in preparing Bitumen Emulsion which is not for sale to the public & that the profits earned are surrendered to the Government.

16 The case falls under <sup>the</sup> proviso (a) (i) to clause (xiv) of Section 64 of the Mysore M. C. C. Act 1933. This is a Govt concern run for the

6-2

6571

Continuation Sheet

File No  
Current No

of

Page

exclusive benefit of the public & the  
profits are treated as part of the public  
revenue. These profits are not used  
for any private benefit. The schedule  
attached to the <sup>rules</sup> ~~provisions~~ of this act  
does not permit the levy of the tax  
since exemption for goods bonafide  
property of the public at the time of import.

This fact has been further clarified

in para 3 of govt. order 15 & 1943

17 Hence action of govt. is not binding

on these articles & the amount levied

has to be refunded

18/ A draft reply is accepted  
for the

Law Secretary  
9-9-44

9/ Hence the draft may  
be approved

19/ Mr. B. L. S. G.

11-9-44

For

10-9-44

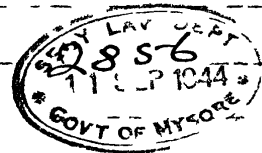
17-9-44

18-9-44

19-9-44

20-9-44

OFFICE OF THE MINISTER  
FOR L-S G & P H  
Date 12-9-44  
No 1796



4571 743  
L

7

se 13 To One Oct, cif, me cl, Myton

NO L 3336 By 14-10 44

Issues instructions in the matter

B  
12/12



Appendix F G—1]

SUBJECT

Refund of Octon duty paid by the Indian  
Emulsion Plant, Mysore to the Mysore City Municipal  
during 1940-41

Section *etc*

File No

Serial No

Diary No of letter replied to

No D 3828

To

*The Secy to Govt*

*Secy to Govt*

General and Revenue Secretariat

( )

the 19

Date of issue 7-12-42

Signed by Mr TS

In reply to your letter  
No 51/40-41 & 10-10-42 on the  
above subject I am directed to  
request you to be good as to  
forward for reference a copy of  
your letter No 51/40-41 & 17-3  
mentioned herein

List of enclosures

Copied by

Examined by

*Handwritten signature*  
*For Secy*  
*Sp*



9227/mc - 13  
8/13-3-43

To

Mr President, anyone  
of Mel  
anyone

Sir,

Subject: Report of action ref- par

by the Britten Emulsion Co

Report to the anyone ref- par  
during 1940-41

I am directed to forward  
herewith a copy of letter no

51/40-41 of 7th March 1941

of the Dir of ~~Administration~~  
of the ~~Director~~, anyone address

to the Dir of ~~Administration~~, together  
with that of its enclosure

on the above subject. The  
report you to be so good

as to forward first with you  
views on the matter very  
early. It may be necessary

TJ  
make one  
copy

B

anyone  
copy

re the 'any more' amount  
is still due by the Britman  
Emulsion Plant on his behalf to  
the city H.C. -

I have the  
copy of  
for Log Report  
Laws Dept

Copy of letter No.51/40-41 dated 7th March 1942 addressed to  
the Secretary to Government, Development Department, Bangalore

\*\*\*\*\*

Subject ---Refund of Octroi Duty by the Bitumen Emulsion Plant, Mysore to the  
Mysore City Municipality during 1940-1941

\*\*\*

I have the honour to state that the Bitumen Emulsion Plant, Mysore, has paid a sum of Rs.54-10-3 to the City Municipality, Mysore during the year 1940-1941 towards Octroi Duty on all dutiable articles levied under the provisions of the Municipal Regulation. The Assistant Comptroller, Local Audit Circle, Mysore has in the Audit Report of the concern for 1940-41 objected to the payment of this amount and has suggested a refund of the amount being obtained as per G.O. No.1 6926-9/ML.154 dated 25-2 dated 29th April 1926. The President, City Municipal Council, Mysore has refused to refund the amount as he holds that the said Government Order is applicable only to the Electrical Department. The Assistant Comptroller, Mysore Audit Circle, urges in his letter No.715/MLAC dated 20th February 1942 (copy enclosed) that the Municipality is not entitled to this levy under the interpretation given to the Municipal Law in the Government Order 1926. As the Bitumen Emulsion Plants are State concerns and their products are used solely for public purposes and as these concerns have to surrender to Government the depreciation reserved and the profits, if any, accrued, I agree with the view expressed by the Assistant Comptroller, Mysore Local Audit Circle and recommend that orders directing the refund of the sum of Rs.54-10-3 collected from the Bitumen Plant, Mysore may kindly be issued. I further request that orders may also be issued directing the Municipality not to levy this Octroi Duty on all dutiable articles imported by Government.

12-1

2

Government Industrial Concerns in future

16-12-1942

Director of Industries  
and Commerce.

5/12/42

L.R  
Letter No.715/MIAC dated 20th February 1942 from the Asst. Comptroller, Mysore Local  
Audit Circle, Mysore, to the Officer in Charge, Bitumen Emulsion Plant, Mysore.

With reference to your No.310/23-12-41 regarding the exemption from levy of  
Octroi duty on articles purchased by your plant, I wish to invite your attention to  
this office No.716/MIAC dated 20.2-1942 in which a similar question raised by Genl.  
wood oil Factory has been dealt with and to request you to seek orders of Government  
as the Municipality is not entitled to this levy under interpretation given to the  
Municipal Law in the order of 1926.

1948-44-13 . : . 19

PM  
51/40-41  
Encl are  
Government of Mysore,  
Department of Industries & Commerce  
Bangalore Dated 16th December 1942  
V. Vedavyasaacharya, Esquire, B.A.,  
Secretary to the Government of Mysore  
Development Department, Bangalore.  
3:

Sir

Subject ---Refund of Octroi Duty paid by the Bltumen Emulsion Plant  
Mysore, to the Mysore City Municipality during 1940-1941  
\*\*\*\*\*

With reference to your letter No.D 3828 dated 9th December 1942 I have  
honour to enclose herewith as called for, copy of my letter No 51/40-41 dated 7  
March 1942 addressed to you, containing the proposals for the refund of the Octroi  
duty of Rs.54-10-3 to the Bltumen Emulsion Plant, Mysore, and to request you kind  
to obtain and communicate orders of Government in the matter early.

I have the honour to be

Yours most obedient servant

DIRECTOR

10/12/42

Copy of letter No. 51/45-22 dated 8th October 1942

to the Secretary of the Ministry of the Interior

22

Received by the Ministry of the Interior  
on 10th October 1942

Reference is made to the letter of the Ministry of the Interior dated 10th October 1942, No. 51/45-22, regarding the matter mentioned in the subject.

The Ministry of the Interior has been informed that the matter mentioned in the subject is being dealt with by the Ministry of the Interior and that the Ministry of the Interior is in the process of preparing a report on the matter.

Yours faithfully,

The

Minister of the Interior

19

457/14

No R1 C 634-30/42-43

Encl. -

From R Ramachandra Rao Bhombore, Esq, B A,  
~~B S RAGHAVENDRA RAO, Esq, B A~~  
 1 RESIDENT, CITY MUNICIPAL COUNCIL  
 MYSORE

Date 18th January 1944

OFFICE OF THE PRESIDENT  
 CITY MUNICIPAL COUNCIL MYSORE

GEN & REV SECY. TH.  
 - 24 JAN 1944  
 G BRANCH

To  
C. Narayanaswamy Naidu, Esq, B A, B L,  
 Secretary to Government, Law Department,  
 Bangalore

Sir,

In continuation of this office letter No R1 C 634-30 dated 28th May 1943, and with reference to your letter No L 9228 dated 13th March 1943 calling for my opinion in the matter of the claim for refund of Rs 54-10-3 paid as Octroi during the year 1940-41 by the Bitumen Emulsion Plant, Mysore, I have the honor to state as follows -

The amount in question was paid on account of the Octroi duty on goods imported by the Bitumen Emulsion Plant and it is seen that the claim for refund is put forth on the ground that it has been kept under objection in the Audit Report of the Asst Comptroller The Asst

attached - - -  
 force - in the Mysore Act does  
 authorize the levy of the tax/duty.

1  
D-1  
C" Comptroller seems to have raised the objection re-  
lying on the instructions conveyed in G O No 6726 -  
-9/Ml 154-25-2 dated 29-4-1926 When paras 2 and 4  
of this Government Order are read together it will be  
seen that it has been specifically stated that ex-  
emption should be shown by this Municipality with  
respect to articles belonging to the Electrical De-  
partment This is however being observed here

With regard to the articles of the other con-  
cerns such as the Bitumen Emulsion Plant which are  
commercial concerns this Government Order does not  
seem to have any application The byelaws in this  
Municipality were sanctioned in Government Order No  
L 5024 Ml 8-26-31 dated 29th January 1927 and ample  
provision is made for exempting goods which are bona-  
fide property of Government at the time of import,  
from the Octroi duty Similarly, the articles im-  
ported on behalf of the Parakalaswami Mutt and bona-  
fide khadder are exempted from this duty

In the case of Municipal taxation, it seems that the

5-2-44 ml 98-44-13 : 19-

-2-

17

the principle involved is whether any benefit is derived from it or not While, the buildings belonging to Government are not taxed if used for public purpose, they have been allowed to be taxed if they are let out for residential purposes The same principle is followed by Government in directing that the exemption of octroi should be allowed on agricultural implements stocked for sale with no profit - vide G O No L 747-88 Ml 115-42-26 dated 10-7-1943

In these circumstances, I consider that the articles purchased for manufacturing purposes and not for the routine purpose of running the administration are to be made liable to Municipal taxation

The Octroi duty to be recovered from the Bitumen Emulsion Plant has been in arrears from 1941-42 as the duty is to be calculated on the value of the goods and as the value has not been



To

Sept

M 98-44-13 : 19

L 3336 2/14-10-66

The President, Myanmar Oil

Ltd,

With reference to your letter no PIC  
634-30 dated the 18th January 1966 in  
reference to the levy of octroi duty by  
this Myanmar Oil Ltd on the articles  
imported by the ITC Dept for the  
Bittermen Enrolment Plant, I am  
directed to observe that the case  
falls under the proviso (a) (i) &  
clause (xiv) of section 24 of the  
Myanmar Oil Mills Act 1952 as amended  
from time to time, as this is an export  
certain sum for the exclusive benefit  
of Myanmar is the citizens of the State  
and the profits are treated as part of  
the public revenues & no portion of  
these profits are used for any private  
benefit. Further, the schedule  
attached to the Taxation Rules in  
force in the Myanmar Oil does not  
authorize the levy of the tax/duty

20/

since exemption is allowed for goods  
beneficial property <sup>to</sup> ~~of~~ at the time of  
import this fact has been further  
clarified in para 3 of go no 20  
21.1.1943-44

10735-218 / 10735-218

dated 25th Aug 1971 which runs as follows.

dated 25-11-1913

means no legal justification for  
levying within def. in those cases made  
by G.O. 10/11/13 for (unofficial) just use  
since immediately after purchase, the article  
becomes the property of Govt. & escapes  
from def. <sup>and</sup> Govt. direct that other things  
not be levied on purchases made by  
dept. of Govt.

view of the above

Sept 17/1903  
 I am glad to hear, in view of the above  
 net, no day need be taken in the  
 article unless it is necessary to mention  
 "Chubbs" name in any case  
 "Amos" is a great deal in the behalf  
 of the "refused" to the 1st Sept  
 and I  
 for Sept 17/1903

3337 214-10 m

214-10-uu  
L 3338 214-10-uu  
memo to Mr. F. W. 7

memo 3337 of 14-10-1944  
memo 3338 of 14-10-1944  
admitted to work on 15-10-44  
can be given 15-10-44  
to show acceptance of work on 15-10-44  
for uniform 15-10-44  
for uniform 15-10-44

Editor

21

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No L 33 36 / ml 98-44-13

Dated Bangalore, 16<sup>th</sup>

October 1944

FROM

The Secretary to the Government of His Highness the Maharaja of Mysore

Law Department.

To \*

The President,  
Mysore City Municipal Council.  
M Y S I R E

S I R,

With reference to your letter No R.C. 634-30 dated the 13<sup>th</sup> <sup>January</sup> June 1944, in regard to the levy of Octroi duty by the Mysore City Municipal Council on the articles imposed by the Industries and Commerce Department for the Nitrogen Fertilizer Plant, I am directed to observe that the case falls under the proviso (i), (ii) to ~~Clause (iv) of~~ Section 61 of the Mysore City Municipalities Act - 1933, as amended from time to time. As this is a Government concern run for the exclusive benefit of the public viz. the citizens of the State and the profits are treated as part of the public revenues and no portion of these profits is used for any private benefit. Further, the schedule attached to the Taxation Rules in force in the Mysore City does not authorise the levy of the Tax (duty) since exemption is allowed for goods bona-fide property of the Government at the time of import. This fact has been further clarified in para (3) of Government Order No Ml.10188-217/Ml.112-62-60 dated the 16<sup>th</sup>

April 1943 which may run as follows :-

- \* There is no legal justification for levying Octroi duty on purchases made by Government Departments for bona-fide Government use since immediately after purchase, the articles become the property of Government, ~~and~~ <sup>stand</sup> exempted from duty. Government accordingly direct that Octroi should not be levied on purchases made by Departments of Government."

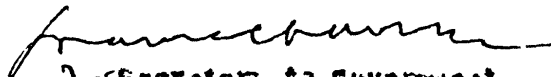
P t.o.

27/1

2

I am to add that. In view of the above facts, no duty need  
be levied on the articles <sup>imported</sup> for the use of the Bitumen  
Emulsion Plant in Mysore City. The amount of Rs. 54-10-3 already  
collected in this behalf may be refunded to the Industries &  
Commerce Department.

I have the honour to be,  
Sir,  
Your most obedient servant,

  
Secretary to Government,  
Law Department

gpg/b.

